Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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FEDERAL COMPLINE RECEIPMSSION

In the Matter of

800 Data Base Access Tariffs and the 800 Service Management System Tariff DA 93-930

CC Docket No. 93-129

To:

Common Carrier Bureau

OPPOSITION TO US WEST CLARIFICATION OR, IN THE ALTERNATIVE, RECONSIDERATION

Allnet Communication Service, Inc. (Allnet), hereby opposes the US West Petition for Clarification or, in the Alternative, Reconsideration, filed August 18, 1993, regarding whether it is required to file the Switched Cost Model (SCM) and its appropriate treatment. The Commission correctly concluded that LECs need only disclose computer models that they employed if their justifications for their rates are based on the use of the model. The Commission correctly observed that some LECs were able to develop cost support data without the use of such models and that no third party information would be compromised by release of the models. ¹

US West attempts to dispute the Commission's conclusions that the LECs could have derived SS7 cost support without the use of alleged proprietary computer models. It relies upon an <u>ex parte</u> statement of BellCore, improperly filed on August 3, 1993.² However, one need look no further than the affidavit of

²The ex parte filing by Bellcore, with its attached affidavits, is unauthorized under the Commission's rulesin a restricted proceeding, and no attempt was made to serve a copy of that ex parte, and its numerous attachments, on any party

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¹In the Matter of 800 Data Base Access Tariffs and the 800 Service Management System Tariff, CC Docket No. 93-129, Order Designating Issues for Investigation, DA 93-930, rel. July 19, 1993 ("Order") at ¶¶28-29.

Barbara H. Stock, US West at 6 where she admits that the cost support can be derived "without the use of the SCM SS7 model." Ms. Stock claims that such an alterative derivation would be "extremely difficult and expensive," however she provides no analysis or data to support this conclusion. It is simply an ambiguous opinion expressed by Ms. Stock. Moreover, Ms. Stock has no demonstrated expertise or background education or other qualifications that would allow the Commission to rely upon her opinion regarding costs for alternative forms of deriving cost support information, particularly given that US West has never actually pursued deriving the cost material without using its alleged proprietary model. Of particular historical note, US West and other LECs have routinely provided cost support to the Commission since divestiture without the need to rely upon any proprietary cost support models. Particularly in light of the fact that some LECs are able to justify their rates without relying upon the SCIS/SCM cost models, there is no reason why US West cannot do the same. Contrary to US West's incorrect observations, United, whose letter is attached to the Bellcore ex parte filing, specifically stated that: "United did not use Bellcore's CCSIS costing model or any equivalent costing model to calculate the capital costs of 800 data base vertical features." United did not claim that it could not come up with a <u>reasonable</u> derivation of the capital costs without the CCSIS model. Thus, the Commission's factual assumptions remain correct, and effectively unchallenged.

US West and certain other LECs are using the bogus claims to "proprietary" models as a defense to hamper the ability of the Commission and interested

to the proceeding.

parties to properly evaluate whether the rates they propose are reasonable.³ If US West is so concerned with the confidentiality of the model, then US West should simply limit analyses submitted in the investigation to methods that do not employ such alleged confidential models. The Commission explicitly stated that: "if a carrier prefers not to disclose the model it used to allocate costs, it must provide some other justification for its rates."⁴

For the reasons set forth herein, US West should file whatever material into the public record that is required to support its monopoly rates for 800 database service. The Commission has <u>not</u> required that such support be done using any alleged proprietary computer models.

Respectfully submitted,

ALLNET COMMUNICATION SERVICES, INC

Roy L. Morris

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Dated: August 31, 1993

³ US West seeks confidential treatment for such models if they were required to be filed. However, Ms. Stock of US West claims only that the SCM employs programming that is "not known by person outside of the telecommunications business." Stock Affidavit at 2. The "telecommunications business" is hardly a closed group and knowledge limited to that group does not make that information either proprietary or confidential. Moreover, Allnet has learned that small LECs, such as Western Reserve in Ohio, have had access to the Bellcore version of the models (upon which the US West SCM was based). Also, it should be noted that the Motion for Summary Affirmance of the US and Bellcore were denied in an Order of the US Court of Appeals, Allnet v FCC, No. 92-5351 (D.C. Cir. Sept. 25, 1992). Thus, US West's and Bellcore's views on what material should be treated as confidential is not as consistent with the law of FOIA as they would attempt to lead the Commission to believe. As a matter of right, Allnet and other parties have a right to seek disclosure and/or access to any information that is presented by the LECs to support their rates in this proceeding in order to assure that the 800 rates are just and reasonable, and non-discriminatory.

Certificate of Service

I, Roy L. Morris, hereby certify that I have caused to be served on this date, a true copy of the forgoing Allnet Opposition by postage-prepaid first class mail to the parties on the attached service list.

August 31, 1993

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